

State of Delaware - Disability RFP
Appendix M - Proposed Premium and Fees

Directions:

1. Please input rates for the following products on the specified rate basis.

Product	Rate Basis
STD ASO	PEPM
LTD ASO (grandfathered)	per initial claim/ per month open
LTD Core	per \$100 of covered monthly payroll (composite)
LTD Buy-up (University of Delaware)	per \$100 of covered monthly payroll (agebanded)
LTD Buy-up (School District)	per \$100 of covered monthly payroll (composite)

2. Follow key below for where to put rates/comments. Please note all other cells are locked and cannot be edited.

Key
Vendor rate input
Vendor comment input

3. Please include any caveats that would apply to pricing on pricing caveats tab (Note: caveat tab is not locked).
You MUST indicate "none" if there are no caveats.

Notes:

- a. Current volumes are based on the March 2018 invoice.
- b. **All rates are final and binding. A best and final offer will not be requested.**
- c. Rates will only be assumed to be on the correct rate basis stated above - any deviation from this will not be considered.
- d. Any fees or costs that are not included on this form, whether or not you were reminded to include them in the text of the RFP, **will not be considered** by the SEBC.

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STD ASO	Current	Proposed	Comments
Short Term Disability (non-statutory):			
Employee Lives	36113	36113	
STD fees (PEPM) - Includes benefit calculations	\$ 1.96		
Monthly Cost	\$ 70,781	\$ -	
Annual Cost	\$ 849,378	\$ -	
Dollar Change		\$ (849,378)	
Percent Change		-100%	
Additional Fees not included in the standard ASO Fee above:			
Specialty reporting (per hour)	\$ -	\$ -	
Communications (annual amount)	\$ -	\$ -	
Custom programming (per hour)	\$ -	\$ -	
Takeover fee (per claim basis)	\$ -	\$ -	
Onsite Return to Work coordinator (as PEPM)	\$ -	\$ -	
Coding services (as PEPM)	\$ -	\$ -	
Date of delivery reporting for maternity claims (PEPM)	\$ -	\$ -	
Other administrative costs	\$ -	\$ -	
Additional Fees not included in the standard ASO Fee above (Incumbent):			
Run out fee (per claim basis)	\$ -	\$ -	

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LTD ASO	Current	Proposed	Comments
Grandfathered LTD ASO (closed group)			
Initial Fee (per claim)	\$ 750.00	\$ -	
Monthly Ongoing (per claim)	\$ 76.00	\$ -	
Other administrative costs	\$ -	\$ -	

*There are currently 3 open LTD ASO claims

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LTD Core	Current	Proposed	Comments
Long Term Disability Assumptions			
Employee Lives	36113	36113	
Estimated Monthly Covered Payroll	\$ 151,607,797	\$ 151,607,797	
Long Term Disability Rates and Premiums			
Monthly Rate per \$100 of Covered Payroll	\$ 0.541		
Monthly Cost - \$100/covered pay basis	\$ 820,198	\$ -	
Annual Cost - \$100/covered pay basis	\$ 9,842,378	\$ -	
Dollar Change - \$100/covered pay basis		\$ (9,842,378)	
Percent Change - \$100/covered pay basis		-100%	

LTD Buy-up (University of Delaware)	Employee Lives	Volume	Current	Proposed	Comments
Age Banded LTD - Per \$100/payroll basis					
Under 29	44	\$ 136,000	\$ 0.078		
30 - 34	37	\$ 146,000	\$ 0.113		
35 - 39	50	\$ 184,000	\$ 0.131		
40 - 44	56	\$ 216,000	\$ 0.196		
45 - 49	87	\$ 325,000	\$ 0.260		
50 - 54	126	\$ 469,000	\$ 0.380		
55 - 59	127	\$ 461,000	\$ 0.429		
60 - 64	77	\$ 275,000	\$ 0.433		
65+	27	\$ 94,000	\$ 0.463		
Monthly Cost - \$100/covered pay basis	631	\$ 2,306,000	\$ 7,166.3	\$ -	
Annual Cost - \$100/covered pay basis			\$ 85,996	\$ -	
Dollar Change				\$ (85,996)	
Percent Change				-100%	

LTD Buy-up (School Districts)	Current	Proposed	Comments
Long Term Disability Assumptions			
Employee Lives	5297	5297	
Estimated Monthly Covered Payroll	\$ 25,702,760	\$ 25,702,760	
Long Term Disability Rates and Premiums			
Monthly Rate per \$100 of Covered Payroll	\$ 0.150		
Monthly Cost - \$100/covered pay basis	\$ 38,554	\$ -	
Annual Cost - \$100/covered pay basis	\$ 462,650	\$ -	
Dollar Change - \$100/covered pay basis		\$ (462,650)	
Percent Change - \$100/covered pay basis		-100%	

Additional Cost not included in LTD fee/rates (Incumbent):			
Continue health insurance deductions for any open LTD claims if you are not awarded the contract (include cost basis in comment section)	-	\$ -	

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Line of Business	Vendor Comments
General :	
Short Term Disability ASO (non-statutory):	
Grandfathered LTD ASO:	
LTD Core:	
LTD Buy-up (University of Delaware):	
LTD Buy-up (School Districts)	